

## ***PRESS RELEASE***

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### **INSURANCE COMMISSIONER APPROVES DECREASE IN WORKERS' COMPENSATION LOSS COSTS** *Majority of West Virginia employers to see a rate decrease*

**CHARLESTON, WV** – West Virginia Insurance Commissioner, Jane L. Cline, announced today that the Offices of the Insurance Commissioner have approved an overall ten percent (10%) decrease in loss costs for workers' compensation rates.

Loss cost is the portion of the workers' compensation rate for prospective indemnity and medical benefits. This reduction will result in a rate decrease for the majority of West Virginia employers, meaning an additional \$55 million will go back into the pockets of many state businesses. The loss cost decrease does not reflect individual policy adjustments such as payroll fluctuations, experience modifiers, surcharges, credit programs and additional policy endorsements.

“The loss cost filing was prepared and filed by the National Council on Compensation Insurance (NCCI),” Cline said. “Utilizing the NCCI classification system will result in consistency with national standards and will prove invaluable when West Virginia opens the workers' compensation market to private carriers in July 2008.”

NCCI is the nation's largest statistical and rating company serving the workers' compensation community. NCCI is currently operating in 38 states providing various levels of service and products.

The new classification system and approved loss costs will be effective for policies effective July 1, 2006.